

Quasi-Endowment Agreement between _____ and The University of Arizona

This quasi-endowment gift agreement made this ____ day of _____, 20____, sets forth the entire understanding between _____ and The University of Arizona, with respect to the University's administration of the _____.

1. **Purpose of the Fund:** The Fund has been established to support **Description of Area of Support and Name of College, etc. (If a scholarship, reference the specifications here and include them as Attachment A).**
2. **Source of the Fund:** The Fund will be established with an initial contribution of \$ _____. **(Upon written approval from the President amounts between \$250,000 and \$750,000 may be considered for establishment as a quasi endowment if the gift provides the opportunity to ultimately establish a quasi endowment above the \$750,000 minimum.)** The Department or any interested individual, corporation or foundation may make additional gifts to the Fund at any time. Additional contributions must also have the same purpose as outlined in Paragraph 1 above. The contributing entity must be made aware that this fund is a Quasi-Endowment and their contribution may be used as needed by the Department.
3. **Duration of the Fund:** The Departments' intent for the Fund, including all realized and unrealized capital appreciation and depreciation generated by the Fund, is to exist for a minimum of five years. The Fund will automatically capitalize all income until it has been fully funded at a minimum of \$750,000.

The accumulated "Payout" and less than 10% of the cost in any given fiscal year will be made available to support the "Purpose of the Fund" as described in Paragraph 1 above. The "Payout," a percentage of the fair market value of the Fund as determined from time to time by the University's Investment Committee, prior to its expenditure, will be maintained in a separate University Account solely for the benefit of the Purpose of the Fund. The "Payout," which may from time to time exceed the "net income" (interest, dividend, and any other current income less applicable expenses) generated by the Fund, will be distributed monthly, and will be so distributed in full even if the fair market value of the Fund falls below its historic dollar value (the value of the gift) unless the University makes a determination to the contrary.

4. **Investment Authority:** The Fund shall be invested in accordance with the investment policies of the University as established from time to time by the University's Investment Committee. For purposes of investment only, the monies of this Fund may be pooled/commingled with other endowment funds held by the University. At all times, the Fund shall be separately accounted for in the University's books and records.

5. **Administration of the Fund:** The Fund will be administered by the University, acting in accordance with Title 10, Chapter 41, Article 1 of the Arizona Revised Statutes. Additionally, any distributions to be made from the Fund will be made so long as they do not violate this Agreement, any rules, policies, or procedures promulgated by the University from time to time, nor any of the rules and resolutions of the State of Arizona and the Arizona Revised Statutes. In the event that any payment required of the University hereunder would violate the same, the University may refrain from said action and may take other action to accomplish the intent of the Donor as expressed herein.

6. **Administrative Service Fee:** To defray its expenses related to the holding, safeguarding, investing and maintaining of the assets in the Fund and with respect to the monitoring and disbursement of the Payout, the University will charge an administrative service fee in accordance with the policy established from time to time by the University's Investment Committee. The Fund will be charged the entire administrative service fee even if the fair market value of the Fund falls below its historic dollar value.

7. **Announcement of the Fund:** Announcement of the Fund, including amount, descriptions of contributions and pertinent details, may be made in any University of Arizona or University of Arizona Foundation publication.

8. **Modification of Agreement:** The terms and conditions of this Agreement may not be orally amended, modified, or altered but may be amended, modified, or altered only in writing signed by the Donor and the University.

9. **Representatives and Successors Bound:** This Agreement shall be binding upon and inure to the benefit of the parties hereto and their lawful successors.

10. **Governing Law:** This Agreement shall be governed by and interpreted in accordance with the laws of the State of Arizona.

Signed this ____ day of _____, 20__.

Signed : _____

 The University of Arizona Representative, Title

Signed : _____

 The University of Arizona Representative, Title